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October 27, 2017

VIA OVERNIGHT DELIVERY

Mr. Michael Constantino
Illinois Health Facilities & Services Review Board
525 West Jefferson Street
Second Floor
Springfield, IL 62761

**Re: Valley Ambulatory Surgery Center LP, St. Charles
Project 17-057**

RECEIVED

OCT 30 2017

**HEALTH FACILITIES &
SERVICES REVIEW BOARD**

Dear Mr. Constantino:

Per my email of October 27, 2017, enclosed please find the replacement pages for Attachment 38 and 39 for Valley Ambulatory Surgery Center LP.

Please contact me if you have any questions regarding the above.

Very truly yours,

BARNES & THORNBURG LLP



Claire Reed

CR:dp
Enclosures

ATTACHMENT 38

Section X. Safety Net Impact Statement

1. **The project's material impact, if any, on essential safety net services in the community, to the extent that it is feasible for an applicant to have such knowledge.**

Valley Ambulatory Surgery Center, L.P. plans to build a replacement facility across the street from the existing ASTC. The new facility will be located at 2475 Dean Street, approximately one-quarter (1/4) mile from the existing ASTC. Thus, there will be no interruption in any services provided to area residents, and the new location will offer convenience and close proximity to the existing location. Therefore, the project will have no negative impact on essential safety net services in the community.

2. **The project's impact on the ability of another provider or health care system to cross-subsidize safety net services, if reasonably known to the applicant.**

The project will not have an impact on the ability of other providers or health care systems to cross-subsidize safety net services, because the Applicants plan to build a replacement facility close in proximity to the facility that will be discontinued.

3. **How the discontinuation of a facility or service might impact the remaining safety net providers in a given community, if reasonably known by the applicant.**

Because the Applicants plan to build a replacement facility one-quarter (1/4) mile from the existing ASTC that they propose to discontinue, there will not be an impact on safety net providers in the community.

Safety Net Impact Statements shall also include all of the following:

1. **For the 3 fiscal years prior to the application, a certification describing the amount of charity care provided by the applicant. The amount calculated by hospital applicants shall be in accordance with the reporting requirements for charity care reporting in the Illinois Community Benefits Act.**

Safety Net Information per PA 96-0031			
Charity Care			
Charity (# of patients)	2014	2015	2016
Inpatient	0	0	0
Outpatient	8	6	0
Total	8	6	0
Charity (cost in dollars)			
Inpatient	0	0	0
Outpatient	\$22,183	\$17,687	\$11,729
Total	\$22,183	\$17,687	\$11,729

As a non-hospital owned ASTC, Valley Ambulatory Surgery Center, LP ("VASC") is not nor is it owned by a safety net institution. In addition, VASC is not a Medicaid provider. VASC is a Medicare provider, though, and serves a large number of Medicare Part B patients. The ASTC has a policy and procedure for offering indigent care and exercises this when appropriate. However, VASC does not track the charity care patients by individual, but rather by charity dollars via financial transaction code. In addition, each line item of a claim would need to be written off for a claim/charge already produced and could potentially mean that one patient might have one write off or multiple write offs. In summary, with the ASTC providing access and treatment for thousands of Medicare beneficiaries annually coupled with the fact that VASC is not part of a hospital system or affiliated with a not-for-profit entity, VASC does not track charity care with the same accounting drill-down that a hospital would perform.

- 2. For the 3 fiscal years prior to the application, a certification of the amount of care provided to Medicaid patients, Hospital and non-hospital applicants shall provide Medicaid information in a manner consistent with the information reported each year to the Illinois Department of Public Health regarding "Inpatients and Outpatients Served by Payor Source" and "Inpatient and Outpatient Net Revenue by Payor Source" as required by the Board under Section 13 of this Act and published in the Annual Hospital profile.**

Valley Ambulatory Surgery Center, L.P. is not enrolled as a Medicaid provider; therefore, no Medicaid information is set forth.

- 3. Any information the applicant believes is directly relevant to safety net services, including information regarding teaching, research, and any other services.**

The purpose for relocating to a new facility is to improve the clinical environment for patients. The discontinuation of Valley Ambulatory Surgery Center's existing facility will not impact safety net services or access to care, because it plans to establish a replacement facility one-quarter (1/4) mile from the existing facility.

ATTACHMENT 39

Section XI. Charity Care Information

Below is Charity Care Information for Valley Ambulatory Surgery Center, L.P.

Charity Care			
Year	2016	2015	2014
Net Patient Revenue	10,154,284	10,408,499	8,814,331
Cost of Charity Care	11,729	17,687	22,183

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